DEPARTMENTAL MANAGEMENT GOALS

Secretary Herman and senior staff are briefed on a proposed departmental strategy to address the equal pay issue.

DOL is committed to improving mission performance, through better utilization of information technology, effective stewardship of DOL resources, and maintaining an environment in which employees are encouraged to develop their individual skills and pursue career goals. To achieve these objectives, the Department has increased the electronic distribution of training and other human resources information, continued upgrades to the payroll systems, expanded continuous learning and career management programs, and increased participation in "employee-friendly" programs. This section highlights progress toward achieving the Department's internal management goals in the program support areas of human resources, finance, and information technology.

PROCESSING OF YEAR 2000 DATES

Goal M.1A: One hundred percent of mission critical systems will process Year 2000 dates correctly.

Results: Full Year 2000 compliance for all 61 of the Department's mission critical systems was achieved by March 31, 1999, the governmentwide target date. Extensive testing, including independent assessments, confirmed that all systems were at minimal risk of experiencing Year 2000 problems. The DOL experienced no century date change interruptions in its services.

DOL Technology Infrastructure: One Hundred Percent Year 2000 Compliant	
System Components	**Number**
Servers	814
Routers	650
Hubs	1,395
Concentrators	333
Workstations	21,462

Analysis of Results: To ensure that the Department's national, state, and local customers would not experience service interruptions at the beginning of the new century, the Department undertook an exhaustive review of facilities, the internal and external information technology infrastructure, and communications systems. The objectives of this effort were to identify any potential failures resulting from the inability to process Year 2000 dates accurately, to develop strategies for addressing material weaknesses, and to implement corrective action, as needed.

As a result of this review, all 61 of DOL's identified mission critical systems were successfully brought into Y2K compliance by March 31, 1999. To confirm the effectiveness of implemented modifications and improvements, the Department initiated a thorough independent verification and validation (IV&V) process conducted in accordance with GAO guidelines as outlined in its publication, *Year 2000 Computing Crisis: An Assessment Guide.* The Department established precise criteria to ensure that independent assessments would be performed by qualified reviewers.

Program Description: The Department's IV&V assessment involved a comprehensive series of tests of DOL's systems as a whole and their component parts. Test procedures included data processing simulations as a key methodology for assessing the ability of the automated equipment to correctly manage Year 2000 dates. Hardware clocks were artificially set for post-1999 dates and the information processed was carefully reviewed for accuracy. All testing was completed by June 30, 1999, and the Department's systems were found to represent a "low risk" of failure. In addition to testing existing systems, DOL developed Business Continuity and Contingency Plans (BCCP). These plans outlined measures that could be implemented to ensure the continued performance of core business functions in the event of system failure. BCCPs were carefully rehearsed to gauge their effectiveness in maintaining operations.

The DOL, in concert with the State of Maryland, developed a PC-based contingency system capable of substituting for any State Employment Security Agency's benefit system that might experience a performance problem. Beyond direct DOL system operations, all State Employment Security Agencies reported their unemployment insurance benefit systems were Year 2000 ready. ■

ELECTRONIC DISSEMINATION OF DOL REGULATIONS AND GUIDELINES

Goal M1.B: Improve dissemination of DOL regulations, guidelines, and assistance materials, and collection of public comments through an electronic forum.

Results: Over 100,000 documents were posted electronically over the course of FY 1999. This number represents an increase of more than 200 percent over the 30,000 available through the Internet and LaborNet in FY 1998. To enhance the value of this information, more than 95 percent of the content accessible through LaborNet was indexed to improve the document retrieval and data search processes.

Program Description: DOL maintains a range of documents of interest both to the general public and the Department's employees. These materials include legislation, proposed and final regulations, budgetary data, descriptions of DOL programs and services, press releases, and congressional testimony. As the number of documents available electronically has grown, tools that support the information search process are increasingly important. To ensure easy access to materials, DOL has implemented the Verity search engine. This software enables individuals to quickly search for and retrieve data through the use of document indexes. To make the best use of this functionality, 95 percent of the documents available through LaborNet have been indexed. Among the major advantages of this document retrieval system is the high level of customization it allows. Based on the success achieved through LaborNet, use of this

technology has also been expanded to integrate its search capability with library applications. The Office of the Chief Financial Officer has built an improved search capability into the DOL Internet Financial Library in a similar manner.

As another tool designed to simplify the document retrieval process, DOL has designed and implemented special electronic search pages that facilitate immediate access to high interest categories. Combined with the capabilities of Verity, relevant materials can be identified by the user with little effort and in minimal time.

Number of Electronic Documents Available

	FY 1998	FY 1999
	30,000	100,000

Goal Assessment and Future Plans: These and other system improvements will support greater accessibility and increased functionality of the Internet. Continued growth in content and refinements of search capabilities will enhance the overall value of available information. Efforts are under way outside of the Office of the Assistant Secretary for Administration and Management's Information Technology Center to migrate existing applications to LaborNet and the Internet. Standards for component design, DOL appropriate use policies, and privacy safeguards are being developed to provide the organizational infrastructure needed to further refine electronic information dissemination. ■
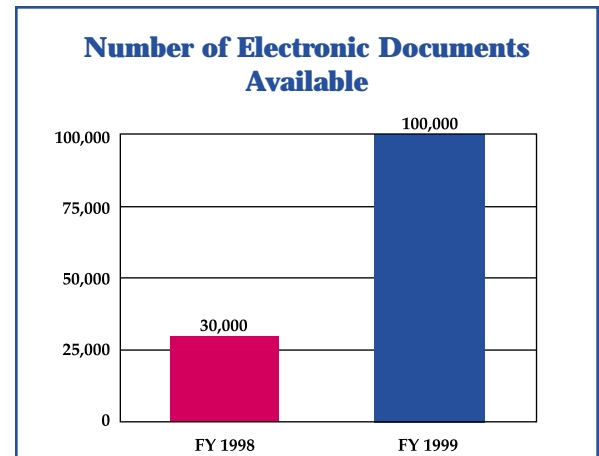
INTEGRATION OF PAYROLL AND PERSONNEL SYSTEMS

Goal M.1C: Complete first phase of the project to implement an integrated payroll and personnel system by the end of FY 2001. The initial milestone is to replace the DOL legacy personnel system, PERMIS, with the new People Power application.

Payroll and Personnel System Integration: Progress Achieved	
Replacement of legacy PERMIS system	Complete
Establishment of People Power "Help Desk"	Operational
Integration of payroll functionality	Under Development

Results: During 1999, DOL successfully completed phase one of the departmentwide effort to establish a fully integrated human resources and compensation management system. Following extensive planning and development, the People Power Personnel System became fully operational on June 6, 1999, and it is now in use by all fourteen DOL personnel offices. To ensure an effective transition from the PERMIS legacy system, the Department's Office of the Assistant Secretary of Administration and Management (OASAM) established a technical assistance operating unit which responded to inquiries prompted by the new system. By functioning as a "Help Desk" on a range of system issues, this unit has been very successful in providing ongoing implementation and operational support to end users. To ensure the continuity of this effort, planning for future maintenance has begun.

With the success achieved during this first phase, efforts are now under way to expand the functionality of the People Power system. Substantial progress has been made in defining the additional technical specifications and data requirements needed to guide future development. Based on work completed to date, the payroll function is on schedule to be available in April 2001.

Program Description: Since the mid-1980s, the Department has maintained personnel and payroll records through the use of two discrete automated systems. In FY 1999, PERMIS, the application used to maintain employee records and position data, was replaced on schedule by People Power as the critical first step in developing an integrated, fully automated personnel management system. As part of this effort, DOL selected a commercially available software package as a replacement for PERMIS. Named People Power internally, this highly customizable system offered the range of capabilities required to meet the existing and future needs of the Department. The first phase of the adoption of this solution, the transition from the PERMIS system, was completed on schedule in June 1999.

Goal Assessment and Future Plans: While DOL maintains the day-to-day service requirements, development has begun on the next phase of priorities of the project, including system maintenance, human resources enhancements, and payroll integration. Over the last several years, advances in computer hardware and software have created opportunities for improving the performance of core business functions. In this context, the Department has undertaken an extensive review of existing systems to assess technology solutions that offer greater functionality and long term cost effectiveness. ■

MAINTAIN THE INTEGRITY AND STEWARDSHIP OF THE DEPARTMENT'S FINANCIAL RESOURCES

Goal M.2A: DOL financial systems and procedures either meet the "substantial compliance" standard as prescribed in the Federal Financial Management Improvement Act (FFMIA) or corrective actions are scheduled to promptly correct material weaknesses identified.

Results: The Department brought the Job Corps Real Property system into compliance with FFMIA. Plans for the remediation of problems in the Job Corps Personal Property System, Wage and Hour's Back Wage and Civil Monetary Penalty systems, the Mine Safety and Health Administration's fines and penalties system, and the Employment and Training Administration's (ETA) Grant Accounting system, have been established.

For the third consecutive year, the Office of the Chief Financial Offcier (OCFO) received an unqualified audit opinion, which states that no material weaknesses were found in the Department's system of internal controls that would affect the accuracy of the financial statements. The agency is implementing the most recent standard on managerial cost accounting (SFFAS 4) established by the Federal Accounting Standard Advisory Board.

Cost Accounting applications have been implemented at summary levels in each agency to measure costs in achieving the Secretary's goals and other broad organizational goals for the FY 2000 Performance Plan. Development of cost accounting applications is underway in FY 2000. The OCFO consolidated financial systems by migrating ETA's Grants and Contracts Management System into the Department's centralized accounting system.

Program Description: The OCFO provides comprehensive direction to all DOL agencies on financial policy arising from financial, legislative, and regulatory mandates.

Beginning in 2001, the Office of the Inspector General (OIG) plans to audit cost accounting procedures and the measurement of performance results for each agency's goals. OCFO will continue to assist DOL agencies in their compliance with the new governmentwide standards for financial systems and accounting practices.

Analysis of Results: Significant progress was made in resolving compliance issues. OCFO will maintain the goal of bringing all financial systems and operations into compliance with FFMIA.

Strategies: During FY 1999, OCFO invested heavily in the financial health of the Department's program agencies. To resolve FFMIA violations, OCFO formed Agency-OCFO work groups to identify solutions to the issues identified by OIG in the Consolidated Financial Statement audit. OCFO will continue to maintain a collaborative approach with DOL agencies to develop a more cohesive set of agency and departmental financial systems. OCFO has also initiated a modernization plan for the core accounting and subsidiary systems that it maintains.

Goal Assessment and Future Plans: The actions planned by OCFO and DOL agencies to bring financial systems and accounting practices into compliance with governmentwide standards are outlined in the audit report. ■

INCREASE EMPLOYEE USE OF CONTINUOUS LEARNING AND DEVELOPMENT SERVICES

Goal M.3A: Increase by ten percent the number of employees utilizing continuous learning/development and career management programs and services.

Results: During FY 1999, 3,943 DOL employees participated in a range of continuous learning and career management programs and services. This number represents a 42 percent increase in the previous year's participation, and was well above the Department's established goal of a ten percent increase.

Employees Using Continuous Learning and Career Management Services

FY 1998	2,777
FY 1999	3,943
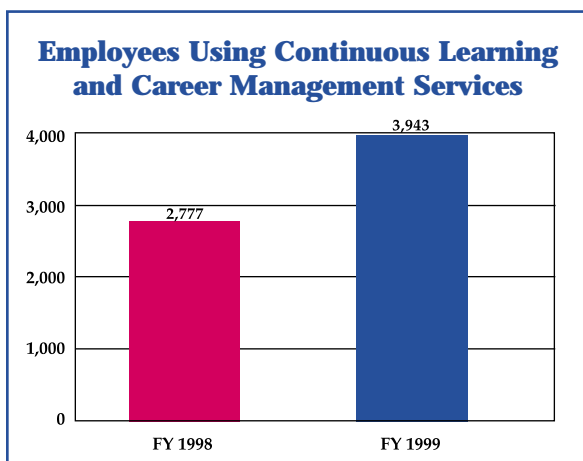
Program Description: Over the course of FY 1999, the Department's Office of the Assistant Secretary for Administration and Management (OASAM) launched a three-pronged approach to career training and professional growth designed to build upon existing talent within DOL. Through this strategy, OASAM provided opportunities for improving essential skills, earning job-based competencies, and developing proficiency in career planning for all levels of DOL staff.

Analysis of Results: To ensure that the DOL workforce continues to acquire the knowledge, skills, and abilities required to meet current and future organizational responsibilities, the Department has placed a high priority on contributing effectively to the professional growth and development of employees. In support of this priority, OASAM offers a broad range of continuous learning, career development, and career management programs for DOL employees at the national and regional levels. Among the services available are distance learning, formal classroom training, workshops, seminars, career counseling, and readily available resource materials through a learning library exchange. Increased participation was achieved through expanded marketing, increased use of technology, and an increased availability of high quality programs and services.

Goal Assessment and Future Plans: To enhance the effectiveness of DOL's continuous learning and career development services, a number of new delivery methods were introduced. Prior to FY 1999, DOL relied primarily on classroom training and other traditional means of offering these programs. However, recognizing that all employees located in more than 500 geographically separate locations could not be reached effectively, DOL invested in web-based technology to enhance access to training services anytime, anywhere. Based on initial reception, DOL will offer additional web-based courses to supplement existing services. ■

INCREASE PARTICIPATION IN "EMPLOYEE-FRIENDLY" PROGRAMS

Goal M.3B: Increase participation in "employee-friendly" programs by ten percent.

Results: Information collected for three major programs indicates that a total of 3,803 employees participated in at least one of these programs during the fiscal year. This figure represents an increase in utilization of 63 percent over FY 1998, well above the ten percent target.

Program Description: As an important part of its overarching goal to establish DOL as a model workplace, the Department's Office of Administration and Management (OASAM) has placed a high priority on expanding the use of a range of "employee-friendly" programs. During FY 1999, OASAM successfully continued a strong commitment to offering a full menu of "employee-friendly" programs and services. In addition to the Leave Bank, Leave Donation, and Leave Recipient programs, a range of other opportunities have been very effective in helping to establish DOL as a model workplace.

Through Flextime, many Department employees have established alternative work schedules, thereby allowing them to better balance personal and professional responsibilities. Another valuable service, Employee Express, offers DOL personnel immediate telephone or web-based access to their human resource information.

Building on the success of these and other programs, OASAM launched a new resource and referral service,

Dependent Care Connection (DCC), in 1999. DCC offers assistance to employees in a number of areas, including prenatal planning, adoption, child care, and adult dependent care. The primary goal of DCC is to help relieve the tension that can often develop between family obligations and work responsibilities.

Analysis of Results: To measure the progress in increasing participation in "employee-friendly" programs, the Department collected utilization data for three core services widely used by DOL employees: the Leave Bank, Leave Donation, and Leave Recipient programs. These representative programs were selected because they offered a solid basis for comparison to FY 1998. In that year, a combined total of 2,335 Department employees accessed these services. As documented by FY 1999 usage statistics, the number of employees taking advantage of these programs increased significantly. The level of participation grew to 3,803.

In addition to the collection of data related to the utilization of the Leave Bank, Leave Donation, and Leave Recipient programs, a baseline was established for the DCC program which was implemented by the Department in the first quarter FY 1999. Based on a review of usage records, a total of 9,038 DOL employees have taken advantage of this service in its first year of operation.

DOL Employee-Friendly Programs: Usage in FY 1998 and FY 1999			
Program	**1998**	**1999**	**Change**
Leave Bank Membership	600	707	18%
Leave Donation	1,665	3,004	80%
Leave Recipients	70	92	28%
Total Participation	2,335	3,803	63%

Goal Assessment and Future Plans: There are currently 13 different programs available to Federal employees that meet the Office of Personnel Management's criteria of "employee-friendly," and all 13 are offered by the Department. Given the array of programs and services available to DOL personnel, the Department's WorkLife Center serves as a "One Stop" source of information. The WorkLife Center coordinators are a readily available, valuable resource to learning about which programs are available. In FY 2000, the Department will establish a utilization tracking system to provide information on the extent to which DOL's "employee-friendly" programs are serving our employees. ■

PROMOTE AGENCY CIVIL RIGHTS COMPLIANCE

Goal M.3C: Complete a review of one of the ten major DOL agencies to verify that all DOL agencies have procedures in place to meet the requirements of applicable civil rights law.
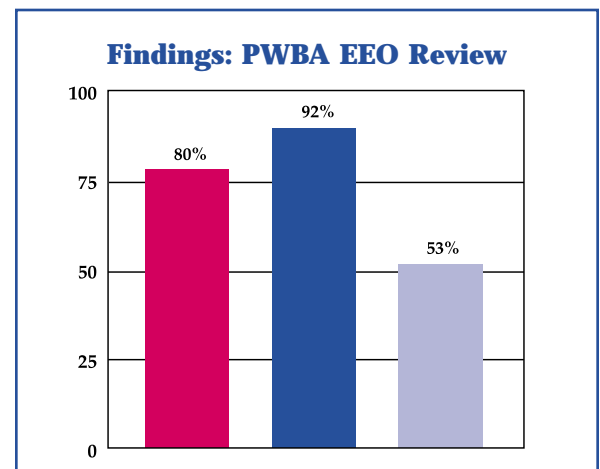
Results: As part of a Department-wide effort to test the effectiveness of the equal employment opportunity (EEO) programs at the agency level, the Department's Office of the Assistant Secretary for Administration and Management (OASAM) conducted an extensive review of the equal employment opportunity program of the Pension and Welfare Benefits Administration (PWBA) . The review found that 80 percent of the agency's employees believe they are treated equitably, 92 percent of all requests for accommodation were approved, and 53 percent of the staff at the GS-13 level are women or minorities.

Program Description: Based on the use of a Methods of Administration Instrument, the PWBA program review was initiated during the third quarter of FY 1999 and completed in the fourth quarter. Program methodology included the distribution of climate surveys to 347 PWBA employees at the national and regional offices. Approximately 50 percent of PWBA staff replied to the survey, a statistically significant level of responsiveness. The surveys were supplemented by individual interviews with representative samples of employees. Additionally, documentation of PWBA policies and procedures related to recruitment, hiring, and reasonable accommodation were carefully reviewed.

Analysis of Results: Through the strategic planning process, DOL has placed a high priority on establishing the Department as a model workplace. As an important contribution to this effort, OASAM will conduct a thorough review of the equal employment opportunity programs of the ten major DOL agencies over the next five years. The primary objective of this assessment is to gauge the effectiveness of these programs in establishing an equitable and accessible environment for all employees. During FY 1999, the first such review was conducted at the PWBA. This assessment provided evidence supporting the conclusion that the agency's EEO program is effective in ensuring nondiscrimination.

Findings: PWBA EEO Review

- 80% Employees who believe they are treated fairly.
- 92% Approval of accommodation requests.
- 53% Women/minorities at the GS-13 level.

Goal Assessment and Future Plans: Following a thorough analysis of the data, a final report, accompanied by comments from the Assistant Secretary of PWBA, was issued on September 28, 1999. It was determined that PWBA's equal employment opportunity program was effectively administered and compliant with the applicable statutory and regulatory requirements. The review process will continue in FY 2000 during which two DOL Agencies will be reviewed. ■

REDUCE CHARGE BACK COMPENSATION COSTS

Goal M.3D: Increase the number of employees returning to work, thereby reducing charge back compensation costs by three percent.

Results: In FY 1999, there was a reduction in compensation charge back costs of $560,225. This amount represented a decrease of 2.95 percent over FY 1998, a level very close to the established goal of three percent. However, $500,000 of the reduction achieved was the result of a third party recovery, not increases in the number of employees returning to work. The number of employees returning to work actually decreased by 24, from 43 in 1998 to 19 in 1999.

Number of DOL Employees Returning to Work

FY 1998	FY 1999
43	19

Program Description: Despite the Department's relatively stable employment levels over recent years, the budgetary outlay associated with worker's compensation has increased. In FY 1998, the total cost reached $18,990,702. To control this expense, DOL established a goal for FY 1999 of achieving a three percent reduction in workers' compensation charge back costs by increasing the number of DOL employees returning to work following occupationally related illness or injury.

Analysis of Results: Based on the three percent goal established for the year, budgetary savings of $569,772 were anticipated. Actual performance for FY 1999 was only marginally lower, with the total reduction in worker's compensation charge back costs reaching $560,225. From a fiscal standpoint, the FY 1999 savings were nearly on target.

However, this outcome was primarily due to a third party recovery of approximately $500,000. Had this amount not been received, the savings would have been approximately $60,000, significantly less than planned. Further, the goal of increasing the number of workers returning to work was not realized. While 43 DOL employees returned to work in 1998, only 19 did so in 1999.

Goal Assessment and Future Plans: During the fiscal year, the Department's Office of Administration and Management (OASAM) learned there is little correlation between increasing the number of employees returning to work following occupationally-related illness or injury and reducing workers' compensation costs. Emphasizing this measure, however, does not address the most important factor driving workers' compensation costs – the length of employee absence. In response, OASAM has determined that targeting reductions in lost production days is a more effective means of controlling expenditures.

In an effort to reduce lost production days, OASAM has focused on reducing employee accident and injury rates. Additionally, OASAM has worked closely with injured employees to return them to work as soon as possible.

The Department has completed a full revision of its safety and health
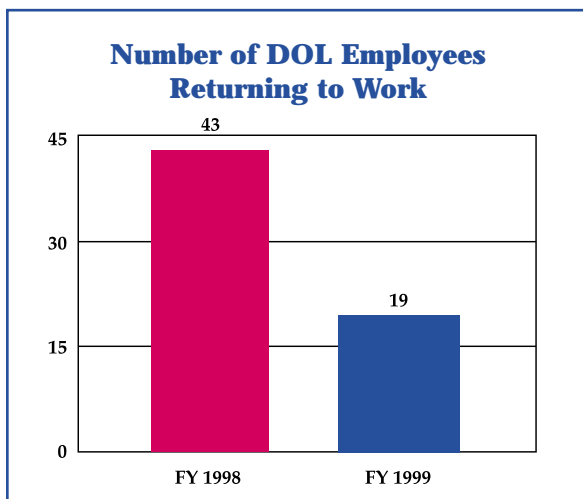
performance goals for FY 2000, in accordance with the Presidential Initiative, Federal Worker 2000. Revised goals include reducing the occurrence of injuries by three percent, reducing lost production days by two percent, and improving the timeliness of filing injury claim forms by five percent. ■